Appendix A. 2009 Comprehensive Water Package

In 2009, Governor Arnold Schwarzenegger and state lawmakers successfully crafted a plan to meet California's growing water challenges. A comprehensive deal was agreed to, representing major steps towards ensuring a reliable water supply for future generations, as well as restoring the Sacramento-San Joaquin Delta (Delta) and other ecologically sensitive areas. The plan was comprised of four policy bills (Senate Bills [SB] 1, 6, 7, and 8) and an $11.14 billion bond (SB 2). The package established the Delta Stewardship Council, set ambitious water conservation policy, ensured better groundwater monitoring, and provided funds for the State Water Resources Control Board (SWRCB) for increased enforcement of illegal water diversions. The bond would fund, with local cost-sharing, drought relief, water supply reliability, Delta sustainability, statewide water system operational improvements, conservation and watershed protection, groundwater protection, and water recycling and water conservation programs.

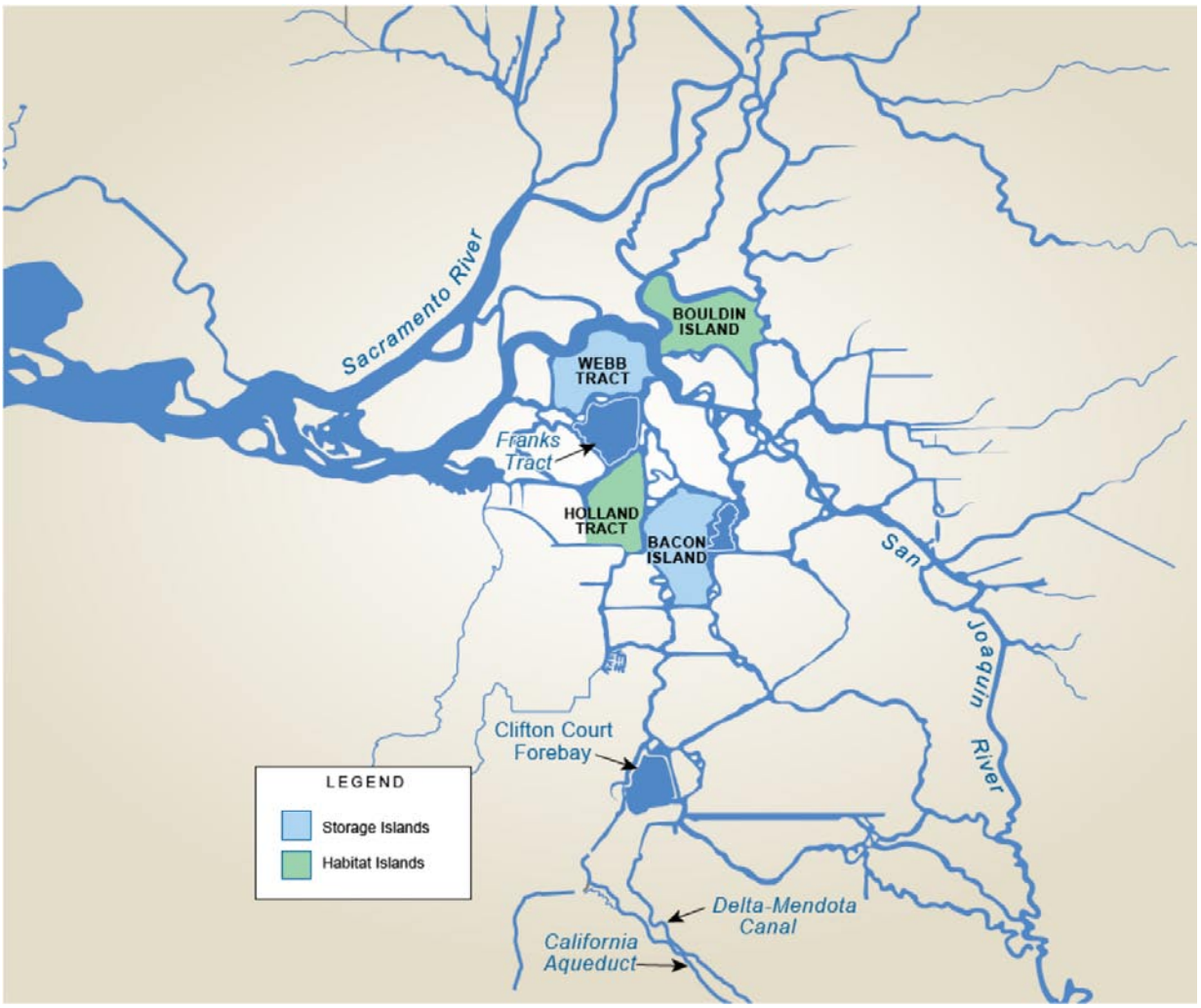
Per the comprehensive water package, a new era of planning and coordination for the Delta was established. The new Delta Stewardship Council is tasked with developing a Delta Plan that furthers the Delta Vision's co-equal goals of Delta restoration and water supply, while the new Sacramento-San Joaquin Delta Conservancy will implement ecosystem restoration activities in the Delta and the Bay-Delta Conservation Plan will further evaluate different conveyance configurations in the Delta. The SWRCB will develop flow criteria for the Delta to be used for planning purposes, and set the framework for stronger accounting of water diversions from the Delta.

Funding for the measures included in the 2009 Comprehensive Water Package depends on public approval of an $11.14 billion bond. The bond funds would make $3 billion available to fund the public benefits associated with water storage projects that improve the operation of the state water system, are cost-effective, and provide a net improvement in ecosystem and water quality conditions. Public benefits were categorized in the legislation as ecosystem improvements, water quality improvements, flood control benefits, emergency response, and recreational purposes. Ecosystem benefits must account for 50% of the total public benefit funded per project. These funds would be awarded through a competitive process. Eligible projects would include:

- CALFED Bay-Delta Program surface storage projects
- Groundwater storage projects and groundwater contamination prevention and remediation projects that provide water storage benefits
- Conjunctive use and reservoir reoperation projects
- Local and regional surface storage projects that improve the operation of state water systems and provide public benefits

Appendix B. Summary of the In-Delta Storage Program

In-Delta Storage was one of the five surface storage investigations identified for further review and study in the CALFED Bay-Delta Program (CALFED) Record of Decision (ROD). The proposed In-Delta Storage Project would provide capacity to store approximately 217,000 acre-feet of water in the south Sacramento-San Joaquin Delta (Delta) for a wide array of water supply, water quality, and ecosystem benefits. The proposed project (See figure) would include two storage/reservoir islands (Webb Tract and Bacon Island) and two habitat islands (Holland Tract and Bouldin Island), similar to a project proposed by Delta Wetlands Properties (Delta Wetlands) over a decade before the CALFED ROD.



Location of the In-Delta Storage Project Reservoir and Habitat Islands

In 2001, the Department of Water Resources (DWR) and the California Bay-Delta Authority, with technical assistance from the Bureau of Reclamation (Reclamation), began evaluating the Delta Wetlands Project and in-Delta storage options; this evaluation was completed in May 2002. In June 2002, based on the initial work completed by DWR and Reclamation, the Bay-Delta Public Advisory Committee recommended that the CALFED implementing agencies complete additional evaluations and address several issues before considering implementation of the In-Delta Storage Project. The 2004 Draft State Feasibility Study reports the findings of this additional work.[1]

A Supplemental Report to the 2004 Draft State Feasibility Study[2] was prepared in response to comments received during the public review of the 2004 Draft State Feasibility Study report. However, conditions in the Delta and knowledge of these conditions had significantly changed between the preparation of the 2004 and 2006 reports. These changing conditions included a decline in the abundance of pelagic organisms and increased knowledge and concern over seismic instability and global climate change and their respective effects in the Delta. There was increasing awareness that the Delta was fragile and the current configuration of the Delta would become more difficult to maintain—operational decisions were changing flows through the Delta, a major earthquake could cause catastrophic levee failures and disrupt the state's water supply system, and the Delta would have to withstand increased sea level and larger floods in the face of a changing climate.

The Delta, and people's perception of it, was rapidly changing. Many efforts were under way to improve our understanding of the Delta, including studies into pelagic organism decline, the Delta Risk Management Strategy, Delta Vision, and others. In 2006, DWR deferred the decision to proceed with the study of In-Delta storage until such a time that the Delta efforts were completed or Delta uncertainties were better understood. Funding for DWR's participation in the In-Delta Storage Program has been suspended since 2006. However, Delta Wetlands has continued to investigate In-Delta storage. Delta Wetlands and Semitropic Water Storage District, a new implementing agency and lead agency for California Environmental Quality Act compliance, released a draft Environmental Impact Report in May 2010 for a revised formulation of In-Delta storage.

[1] DWR, 2004. *In-Delta Storage Program State Feasibility Study*. Draft. January.

[2] DWR, 2006. *Draft Supplemental Report to 2004 Draft State Feasibility Study. In-Delta Storage Project.* January.

Appendix C. California Water Plan – Integrated Water Management Framework

The California Water Plan Update 2009 provides direction for surface storage planning. A primary theme of the California Water Plan is that California's policies, decisions, and actions must lead to long-term, sustainable water resource use that enhances the environment, economy, and our communities. In order to fulfill this vision, water policies, decisions, and actions must ensure sustainable water uses and reliable water supplies. Based on these two premises, the California Water Plan identifies foundational actions (use water efficiently, protect water quality, and expand environmental stewardship) and initiatives (expand integrated regional water management and improve statewide water and flood management systems) for integrated water management.

Vision of Integrated Water Management from CA Water Plan

The CALFED surface storage investigations are included under the "Initiatives for Reliable Water Supplies – Improve Statewide Water Management Systems" (See figure) since the investigations seek to integrate potential solutions with the Central Valley Project and State Water Project. The other initiative, implementation of integrated regional water management, is essential to California's water resources future; the surface storage investigations are integrated with local and regional planning efforts. Increasing integration with local and regional water resources planning will continue as draft environmental and feasibility documents are prepared. The investigations' primary purposes of ecosystem restoration, water quality, and improved regional and local supplies are consistent with the

California Water Plan's directives and need to be integrated with local and regional planning efforts.[3]

At the beginning of the California Water Plan Update 2009, the Department of Water Resource's former Director, Lester Snow (currently the Secretary of the Natural Resources Agency), stresses the importance of both statewide and regional integrated water management planning and investments. Successful statewide water management planning will require integration with numerous regional water management efforts. In addition, statewide integrated planning, such as the surface storage investigations, are being integrated with other statewide water management efforts such as Bay-Delta Conservation Plan, Delta Habitat Conservation and Conveyance Program, and the Delta Plan.

The Water Plan also emphasizes the importance of sustainable management of our water resources that provides for our ecosystems, the economy, and equity.[4] The surface storage investigations are formulated to explicitly improve both ecosystems and water supply reliability. Equity is incorporated through a number of state and federal planning requirements including environmental justice, the California Environmental Quality Act, and the National Environmental Policy Act.

Finally, the Water Plan also describes the relationship between integrated regional water management and statewide integrated water management. Recommendation 4 says, "State government should effectively lead, assist, and oversee California's water resources and flood planning and management activities that regions cannot accomplish on their own." This recommendation recognizes that regional water planning efforts cannot, on their own, solve all of California's water management problems. More specifically, challenges that are directly associated with the state and federal water projects should be led and assisted by the state and federal governments, with integrated leadership from regional and local interests.

[3] DWR, 2009. *Update 2009 California Water Plan. Integrated Water Management.* Pre-Final Draft. October 16.
[4] DWR, 2009

Appendix D. Delta Planning Efforts

Various state and federal planning efforts are working toward developing a long-term plan for a sustainable Sacramento-San Joaquin Delta (Delta) including Delta Vision, Bay Delta Conservation Plan and Delta Habitat Conservation and Conveyance Program (BDCP/DHCCP), and the Delta Plan.

Delta-Vision

The Delta Vision Blue Ribbon Task Force was established by Governor Arnold Schwarzenegger in 2006 to "develop a durable vision for sustainable management of the Delta." The Task Force completed their Vision in December 2007 and Strategic Plan in October 2008. A key recommendation of the Delta Vision was the consideration of the Delta ecosystem and a reliable water supply for California as primary, co-equal goals. The Task Force recognized that current use of the Delta and its resources is unsustainable and major changes in the Delta and in California's use of Delta resources is inevitable. The Task Force also recommended:[5]

> *"New facilities for conveyance and storage, and a better linkage between the two, are needed to better manage California's water resources for both the estuary and exports."*

To advance this recommendation, the Task Force identified the goal—to build facilities to improve the existing water conveyance system and expand statewide storage, and operate both to achieve the co-equal goals—in its Strategic Plan.[6]

BDCP/DHCCP

The BDCP is a federal and state planning and environmental permitting process to restore and preserve habitat for endangered and threatened Delta fisheries and provide for reliable water supplies. The DHCCP is a program overseeing the development of preliminary engineering and environmental documentation for implementing conveyance and ecosystem restoration actions considered in the BDCP.

The BDCP is considering a range of alternatives that would combine a Delta conveyance option with compatible restoration opportunities, actions to address other stressors, and corresponding adaptive management strategies. Considered conveyance options include existing through-Delta conveyance, improved through-Delta conveyance, dual conveyance, and a peripheral aqueduct or tunnel. Each conveyance option would likely result in different water quality and hydrodynamic conditions in the Delta and different resulting opportunities for habitat restoration. The BDCP would also include adaptive management and monitoring programs to address uncertainties regarding the role and importance of various stressors on the Delta ecosystem.

[5] Delta Vision, 2007. *Our Vision for the California Delta*. Delta Vision Blue Ribbon Task Force. December.
[6] Delta Vision, 2008. *Delta Vision Strategic Plan*. Delta Vision Blue Ribbon Task Force. October.

Senate Bill 1 and the Delta Plan

As part of the 2009 Comprehensive Water Package, Senate Bill (SB) 1 established the Delta Stewardship Council, which would act as an independent agency of the state. The Delta Stewardship Council is tasked with developing the Delta Plan, a comprehensive management plan for the Delta, by January 1, 2012.

The new Delta Plan will include requirements for flow criteria, diversion rates, and other operational criteria for informational planning decisions. The flow criteria will be developed by the State Water Resources Control Board with assistance from the state and federal fish and game agencies. The new flow criteria's objectives are to improve the health of Delta species (aquatic and terrestrial) with public involvement and will include existing water quality objectives and the best available scientific information, including the volume, quality, and timing of water necessary for the Delta ecosystem under various conditions.

Additionally, SB 1 established the Sacramento-San Joaquin Delta Conservancy under the Natural Resources Agency, who would act as the primary state agency to implement ecosystem restoration in the Delta and to support efforts that advance environmental protection and the economic well-being of Delta residents. The Delta Conservancy is tasked with developing a strategic plan for accomplishing the above tasks.

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